98TH CONGRESS
2d Session
HOUSE OF REPRESENTATIVES
REPORT
98–1174

SUMMARY OF ACTIVITIES
NINETY-EIGHTH CONGRESS

A REPORT

OF THE

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT
UNITED STATES HOUSE OF REPRESENTATIVES

DECEMBER 20, 1984.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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LETTER OF SUBMITTAL

HOUSE OF REPRESENTATIVES,
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT,
Washington, DC, December 20, 1984.

Hon. BENJAMIN J. GUTHRIE,
Clerk, U.S. House of Representatives,
Washington, DC

DEAR SIR: Pursuant to clause 1(d) of Rule XI of the Rules of the House of Representatives, I hereby submit to the House a report on the activities of the Committee on Standards of Official Conduct for the 98th Congress.

Sincerely,

LOUIS STOKES,
Chairman.

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Mr. STOKES, from the Committee on Standards of Official Conduct, submitted the following

REPORT

FOREWORD

Clause 1(d) of House Rule XI requires that each committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of that committee under this rule and Rule X during the Congress ending on January 3 of such year.

The jurisdiction of the Committee on Standards of Official Conduct during the 98th Congress is defined in Rule X, clause 1(t), which reads as follows:

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

(1) Measures relating to the Code of Official Conduct. In addition to its legislative jurisdiction under the preceding provision of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the functions with respect to recommendations, studies, investigations, and reports which are provided for in clause 4(e), and the functions designated in title I of the Ethics in Government Act of 1978.

RULE X, CLAUSE 4

(e)(1) The Committee on Standards of Official Conduct is authorized: (A) to recommend to the House from time to time such administrative actions as it may deem appropriate to establish or enforce standards of official conduct for Members, officers, and employees of the House; (B) to investigate, subject to subparagraph (2) of this paragraph, any alleged violation, by a Member, officer, or employee of the House, of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of

such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities, and, after notice and hearing, to recommend to the House by resolution or otherwise, such action as the committee may deem appropriate in the circumstances; (C) to report to the appropriate Federal or State authorities, with the approval of the House, any substantial evidence of a violation, by a Member, officer, or employee of the House, of any law applicable to the performance of his duties or the discharge of his responsibilities, which may have been disclosed in a committee investigation; and (D) to give consideration to the request of any Member, officer, or employee of the House for an advisory opinion with respect to the general propriety of any current or proposed conduct of such Member, officer, or employee and, with appropriate deletions to assure the privacy of the individual concerned, to publish such opinion for the guidance of other Members, officers, and employees of the House.

(2)(A) No resolution, report, recommendation, or advisory opinion relating to the official conduct of a Member, officer, or employee of the House shall be made by the Committee on Standards of Official Conduct, and no investigation of such conduct shall be undertaken by such committee, unless approved by the affirmative vote of a majority of the members of the committee.

(B) Except in the case of an investigation undertaken by the committee on its own initiative, the committee may undertake an investigation relating to the official conduct of an individual Member, officer, or employee of the House of Representatives only—

(i) upon receipt of a complaint, in writing and under oath, made by or submitted to a Member of the House and transmitted to the committee by such Member, or

(ii) upon receipt of a complaint, in writing and under oath, directly from an individual not a Member of the House if the committee finds that such complaint has been submitted by such individual to not less than three Members of the House who have refused, in writing, to transmit such complaint to the committee.

(C) No investigation shall be undertaken by the committee of any alleged violation of a law, rule, regulation, or standard of conduct not in effect at the time of the alleged violation.

(D) A member of the committee shall be ineligible to participate, as a member of the committee, in any committee proceeding relating to his or her official conduct. In any case in which a member of the committee is ineligible to act as a member of the committee under the preceding sentence, the Speaker of the House shall designate a Member of the House from the same political party as the ineligible member of the committee to act as a member of the committee in any committee proceeding relating to the official conduct of such ineligible member.

(E) A member of the committee may disqualify himself from participating in any investigation of the conduct of a Member, officer, or employee of the House upon the submission in writing and under oath of an affidavit of disqualification stating that he cannot render an impartial and unbiased decision in the case in which he seeks to disqualify himself. If the committee approves and accepts such affidavit of disqualification, the chairman shall so notify the Speaker and request the Speaker to designate a Member of the House from the same political party as the disqualifying member of the committee to act as a member of the committee in any committee proceeding relating to such investigation.

(F) No information or testimony received, or the contents of a complaint or the fact of its filing, shall be publicly disclosed by any committee or staff member unless specifically authorized in each instance by a vote of the full committee.

INVESTIGATIONS

INVESTIGATIONS PURSUANT TO HOUSE RESOLUTION 12

On January 3, 1983, the House agreed to H. Res. 12, 98th Congress, 1st Session, which authorized and directed the Committee to continue and complete the investigation begun in the 97th Congress concerning allegations of:

(1) improper or illicit sexual conduct by Members, officers, or employees of the House of Representatives involving congressional pages;

(2) illicit use or distribution of drugs by Members, officers, or employees of the House; and

(3) the offering of preferential treatment by Members, officers, or employees of the House in exchange for sexual favors or drugs.

The work of the Committee in investigating allegations of illicit use or distribution of drugs involving Members, officers, or employees of the House was carried out in coordination with the Justice Department and its Drug Enforcement Administration. The Committee's investigation focused on three related sets of allegations involving activities that allegedly occurred between 1980 and 1982: (1) that a cocaine or narcotics "ring" was operating on Capitol Hill; (2) that as many as 15 Members were involved with or had purchased drugs from such a distribution network; and (3) that employees or pages were used to purchase drugs for Members or professional staffers on the Hill. (H. Rept. 98–559)

The Committee further instructed Special Counsel to investigate allegations that a drug investigation conducted by the Capitol Police in 1980 was improperly terminated and the officers conducting it transferred to other assignments in order to scuttle the investigation. (H. Rept. 98–205)

A. Representative Gerry E. Studds

In the course of the investigation, the Committee received evidence that in 1973 Representative Studds engaged in a sexual relationship with a 17-year-old male page employed by the House of Representa-

tives, and made sexual advances to two other male pages. Representative Studds appeared before the Committee and admitted the "uncontested facts" that he had a sexual relationship with a male page in 1973. Both Representative Studds and the page testified that the relationship was consensual and that no preferential treatment of any kind was offered or given to the page. In addition, Representative Studds acknowledged in writing that he made sexual advances to two other male pages in 1973.

The Committee found that any sexual relationship between a Member of the House of Representatives and a congressional page, or any sexual advance by a Member to a page, represents a serious breach of the duty owed by the House and its individual Members to the young people who serve the House as pages. (H. Rept. 98-295)

On July 14, 1983, the Committee voted 11–1 to recommend to the House that Representative Studds be reprimanded for conduct bringing discredit upon the House of Representatives in violation of clause 1 of the Code of Official Conduct (House Rule XLIII).

The recommendation of the Committee was considered by the House of Representatives on July 20, 1983. Following the debate, a motion to recommit was successful and by a vote of 421–3, Representative Studds was censured.

B. Representative Daniel B. Crane

Evidence was received during the course of the investigation that in the spring of 1980 Representative Crane engaged in a sexual relationship with a 17-year-old female page employed by the House of Representatives. Representative Crane acknowledged under oath that he had sexual relations with the page and both the congressman and the page testified that the relationship was consensual and that no preferential treatment of any kind was offered or given to the page.

On July 14, 1983, the Committee voted 11–1 to recommend to the House that Representative Crane be reprimanded for conduct bringing discredit upon the House of Representatives in violation of clause 1 of the Code of Official Conduct (House Rule XLIII). (H. Rept. 98–296)

The recommendation of the Committee was considered by the House of Representatives on July 20, 1983. Following the debate, a motion to recommit was successful and by a vote of 420–3, Representative Crane was censured.

C. James C. Howarth

On July 14, 1983, a four-count Statement of Alleged Violation against the Majority Chief Page of the House, James C. Howarth, was issued. The Statement charged that Howarth abused his position and engaged in sexual misconduct, in that during the spring of 1980 he had sexual relations on a regular basis with a female page directly under his supervision and that he dispensed special favors and preferential treatment to the page. A disciplinary hearing was held on October 31, 1983. Howarth appeared at the hearing and was represented by counsel. The Committee met on November 15, 1983, and agreed to recommend to the House of Representatives that it direct the Doorkeeper of the House to dismiss Mr. Howarth. (H. Rept. 98–548) Mr. Howarth resigned his position with the House of Representatives prior to the Committee's report being scheduled for House consideration.

INVESTIGATION OF ALLEGED IMPROPER ALTERATIONS OF HOUSE DOCUMENTS

On June 30, 1983, by a vote of 409–0, the House agreed to H. Res. 254 authorizing and directing this Committee to conduct a full and complete inquiry into and investigation of alleged improper alterations of House documents including, but not limited to, the alleged alteration of transcripts of joint hearings on the Environmental Protection Agency (EPA) held on July 21 and 22, 1982, before five subcommittees of the Committees on Government Operations, Science and Technology, and Energy and Commerce.

The Committee sent over 600 interrogatories to current and former Members, witnesses, and certain current and former staff to obtain information on improper alterations. In all, a total of 11 allegations of improper alterations, either referred to by Members or the news media, were brought to the Committee's attention. All were investigated. (H. Rept. 98–544).

In the case of the joint subcommittee hearings on EPA oversight, the Committee found that an employee of the Committee on Government Operations admitted to making improper alterations and was terminated from his position with the House of Representatives on September 2, 1983. The Committee further determined that the EPA situation was a singular episode not suggesting the need for systemic revisions to current practices of printing procedures.

REPRESENTATIVE GEORGE V. HANSEN

On April 7, 1983, Representative Hansen of Idaho was indicted by a federal grand jury in the United States District Court for the District of Columbia charging four counts of filing statements in violation of 18 U.S.C. section 1001 based on his Financial Disclosure Statements under the Ethics in Government Act of 1978. On April 2, 1984, after a 10-day trial, the jury in the case returned a verdict of guilty on all four counts.

Following the verdict, pursuant to Rule 14 of the Committee's Rules of Procedure, the Committee commenced a preliminary inquiry into whether any of the offenses for which Representative Hansen was convicted constituted a violation over which the Committee had jurisdiction under Rule X, clause 4(e)(1) of the Rules of the House of Representatives.

During the preliminary inquiry, Representative Hansen appeared personally to give a sworn statement and respond to questions from Members and Special Counsel. The Committee voted on June 14, 1984, that the evidence of Representative Hansen's failure to file a complete disclosure constituted violations of rules over which the Committee is given jurisdiction, and that a disciplinary hearing would be held for the sole purpose of determining the appropriate sanction to be recommended to the House of Representatives.

Congressman Hansen's indictment and conviction for filing false statements were based on the financial disclosure forms required under the Ethics in Government Act. The transactions involved were a loan of $50,000 by a Dallas Bank to Mrs. Hansen, the pay-off of that loan by Nelson Bunker Hunt, Mrs. Hansen's receipt of $87,000 from a silver commodities transaction, and loans of $135,000 to the Congressman from three Virginia men. Representative Hansen did not deny failing

to report the financial transactions involved in the indictment. Rather, he contended that he justifiably relied on the advice of counsel and the House Select Committee on Ethics in determining not to report these transactions. The Committee concluded that the legal advice defense was not supported by the evidence at trial or upon review of the facts.

Accordingly, the Committee voted 11–1 to recommend to the House that Representative Hansen be reprimanded for his violations of House Rule XLIV (financial disclosure). (H. Rept. 98–891) The House agreed to the Committee's recommendation on July 31, 1984, by a vote of 354–52.

REPRESENTATIVE GERALDINE A. FERRARO

On August 7, 1984, the Committee received a complaint against Representative Ferraro from the Washington Legal Foundation, a nonprofit public interest law firm. The complaint requested the Committee to investigate possible falsification, misrepresentations, and omissions made by Congresswoman Ferraro in her financial disclosure reports filed for the years 1978 through 1983 with respect to her holdings as well as those of her husband and children.

On September 12, 1984, the Committee determined that the violations alleged in the compliant were within the jurisdiction of the Committee and merited further inquiry. Representative Ferraro and her counsel were notified that the Committee would proceed with a preliminary inquiry pursuant to Committee Rule 11(a). On October 1, 1984, Representative Ferraro submitted a statement addressing each of the allegations contained in the complaint, with particular attention being given to the exemption from disclosure of spouse and dependent children's holdings, liabilities and transactions on the Financial Disclosure Statement filed pursuant to the Ethics in Government Act of 1978.

The Committee met on October 5, 1984, to review the allegations in the complaint and consider the extent to which the Congresswoman had addressed them. During this meeting the Committee resolved that the staff should "use its best efforts" to ascertain the identity of the holdings, transactions, and liabilities of John Zaccaro, the Congresswoman's husband. Thus, the staff was instructed to broaden the scope of its inquiry into the financial interests of John Zaccaro as they relate to relevant disclosure of Representative Ferraro.

On December 3, 1984, the Committee met to review the staff's findings and consider what action to take in light of the fact that the House had adjourned *sine die* and would not be able to take formal action on a Committee recommendation.

The Committee concluded that Representative Ferraro either failed to disclose or incorrectly disclosed a significant number of items relevant to her total financial concerns. As a result, approximately ten of the allegations in the Washington Legal Foundation complaint were sustained. The Committee further concluded that Representative Ferraro did not meet the three standards necessary for claiming the exemption from disclosure of her husband's financial interests.

The Committee accepted the staff recommendation that Representative Ferraro had committed violations of House Rule XLIV constituting a technical violation with regard to the errors and omissions alleged in the complaint. With regard to the non-disclosure of John Zaccaro's financial interests, the staff recommended, and the Committee concurred, that the Committee forego the assignment of appropriate action. (H. Rept. 98–1169)

UNAUTHORIZED RELEASE OF EXECUTIVE SESSION MATERIAL

On December 3, 1984, the Committee considered and agreed to its Report in the Matter of Representative Geraldine A. Ferraro. This meeting was held in Executive Session. The following day, December 4, 1984, an article in the Washington *Times* reported that the newspaper had obtained a copy of the 47-page staff report and had learned of the committee's decision. Since the Report was not scheduled to be filed until the following week, the Committee met on December 5, 1984, and determined that a violation of the confidentiality of the proceedings of the Committee had occurred. The membership of the Committee voting 12–0, it was resolved that an inquiry be undertaken in accordance ewith Rule 11 of the Committee's Rules to determine the source of such improper disclosure of Committee business.

This investigation is ongoing.

OTHER ACTIVITIES

Foreign Gifts and Decorations Act

Pursuant to the "Regulations Applicable to Acceptance of Gifts and Decorations from Foreign Governments by Members, Officers and Employees", the Committee processed statements and responded to various requests from Members of the House for interpretations of the Foreign Gifts and Decorations Act (5 U.S.C. 7342). Reports filed under these regulations are maintained in the committee office and are available for public inspection at reasonable hours.

The Foreign Gifts and Decorations Act permits Members, officers and employees of the House of Representatives to accept from foreign governments and/or their agents gifts of "minimal value" which were defined as gifts with a retail value of $140 or less in the United States. The law also provides that the General Services Administration shall redefine minimal value every three years to adjust for inflation. On March 28, 1984, GSA redefined "minimal value" as being $165 or less. The Committee at its meeting on May 17, 1984, amended its *Regulations Applicable to Acceptance of Gifts and Decorations from Foreign Governments* to reflect the new definition of "minimal value".

Ethics Manual

The Committee revised and reissued the "Ethics Manual for Members and Employees of the U.S. House of Representatives." The Manual, first published during the First Session of the 96th Congress, is a comprehensive publication of rules, laws, regulations and other

standards of conduct applicable to Members and employees of the House.

Complaints

A number of complaints were received by the Committee for examination to determine if each complaint submitted was in compliance with clause 4(e)(2)(B) of Rule X of the Rules of the House of Representatives and Rule 9 of the Committee rules. Those complaints which did not comply with House and Committee rules were returned to the complainant. Those which complied with the rules were considered by the Committee for appropriate disposition. In all such instances, the Committee and staff were aware of the provisions of House Rule X, clause 4(e)(2)(F) which reads: "No information or testimony received, or the contents of a complaint or the fact of its filing, shall be publicly disclosed by any Committee or staff member unless pecifically authorized in each instance by a vote of the full Committee."

During the course of the 98th Congress, the committee held 16 meetings during the First Session (1983) and 11 meetings during the Second Session (1984).

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